

AMEND – BOARD OF ACCOUNTANCY REGULATIONS

Proposed Regulation

1
2 CHAPTER 21.
3 BOARD OF ACCOUNTANCY REGULATIONS.

4
5 PART I.
6 DEFINITIONS AND FEES.

7
8 **18 VAC 5-21-10. Definitions.**

9
10 The following words and terms when used in this chapter have the following meanings,
11 unless the context clearly indicates otherwise:

12
13 “Accredited institution” means any degree-granting college or university accredited at the
14 time of the applicant's degree or attendance by any of the following: Middle States Association
15 of Colleges and Schools, New England Association of Schools and Colleges, North Central
16 Association of Colleges and Schools, Northwest Association of Schools and Colleges, Southern
17 Association of Colleges and Schools, and Western Association of Schools and Colleges.

18
19 “Assurance” means any act or action, whether written or oral, expressing an opinion or
20 conclusion about the reliability of a financial statement or about its conformity with any financial
21 accounting principles or standards.

22
23 “Audit” means expressing an opinion about the fairness of presentation of financial
24 statements in accordance with prescribed criteria.

25
26 “Board” means the Board of Accountancy.

27
28 “Certify,” “audit,” “examine,” “review,” or “express or disclaim an opinion,” when referenced
29 to financial information or the practice of public accountancy, are terms which, when used in
30 connection with the issuance of reports, state or imply assurance of conformity with generally
31 accepted accounting principles, generally accepted auditing standards, and review standards.
32 The terms include forms of language disclaiming an opinion concerning the reliability of the
33 financial information referred to or relating to the expertise of the issuer.

34
35 “Client” means a person or entity that contracts with or retains a firm for performance of
36 services by a CPA certificate holder or registration certificate holder subject to Chapter 44 (§
37 54.1-4400 et seq.) of Title 54.1 of the Code of Virginia and this chapter.

38
39 “Commission” means compensation generated from the purchase or sale of a product or
40 service and which would not be generated but for the purchase or sale of the product or service.

41
42 “Conditional CPA exam credit” means credit for successfully passing a section of the CPA
43 exam.

44
45 “Contact hour” means 50 minutes of participation in a group program or 50 minutes of
46 average completion time in a self-study program.

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1 “Contingent fee” means a fee established for the performance of a service pursuant to an
2 arrangement in which no fee will be charged unless a specified finding or result is obtained, or in
3 which the amount of the fee is dependent upon the finding or result obtained. Fees shall not be
4 considered contingent if fixed by courts or other public authorities, or in tax matters if
5 determined based on the results of judicial proceedings or the findings of governmental
6 agencies. A CPA certificate holder’s fees may vary depending on the complexity of services
7 rendered, and such variation shall not be considered a contingent fee.

8
9 “Continuing Professional Education (CPE)” means an integral part of the lifelong learning
10 required to provide competent service to the public; the formal set of activities that enables
11 accounting professionals to maintain and increase their professional competence.

12
13 “CPA certificate” means a certificate as a certified public accountant (CPA) issued by the
14 board pursuant to Chapter 44 (§ 54.1-4400 et seq.) of Title 54.1 of the Code of Virginia and this
15 chapter, which shall function as a license, or a corresponding certificate as a certified public
16 accountant issued after meeting ~~examination~~ the CPA exam and other requirements under the
17 laws of any other state.

18
19 “CPA exam” means the National Uniform CPA exam approved and administered by the
20 Board of Accountancy to candidates for a CPA certificate.

21
22 “CPA wall certificate” means the symbolic document suitable for wall display that is issued
23 by the board to an individual meeting the requirements for a CPA certificate set forth in 18 VAC
24 5-21-30.

25
26 “CPE” means continuing professional education.

27
28 “CPE credit” means 50 minutes of participation in a group, independent study or self-study
29 program.

30
31 “CPE reporting year” means for the purposes of this chapter a calendar year.

32
33 “CPE reporting cycle” means the three CPE reporting years immediately preceding the year
34 the CPA certificate is renewed pursuant to 18 VAC 5-21-80.

35
36 ~~“Credit hour” means successful completion of a course of study measured in a contact hour.~~

37
38 “Ethics CPE” means subjects relating to standards of conduct, Chapter 44 (§ 54.1-4400 et
39 seq.) of Title 54.1 of the Code of Virginia, and regulations of the Board.

40
41 “Examination” means, when used in the context of services provided by CPAs, expressing
42 an opinion about the fairness of presentation of financial information in accordance with
43 prescribed criteria.

44
45 “Financial statement” means writing or other presentation, including accompanying notes,
46 which presents, in whole or in part, historical or prospective financial position, results of

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1 operations or changes in financial position of any person, corporation, partnership or other
2 entity.

3
4 “Firm” means a sole proprietorship, partnership, corporation, limited liability company, limited
5 liability partnership, or any other form of organization permitted by law.

6
7 “Good character” means a lack of a history of dishonest or felonious acts.

8
9 “Group program” means an educational process designed to permit a participant to learn a
10 given subject through interaction with an instructor and other participants.

11
12 “Interactive self-study program” means a program using interactive learning methodologies
13 simulating a classroom learning process by employing software, other courseware, or
14 administrative systems and providing significant ongoing, interactive feedback to the learner
15 regarding his learning process. Substantial written or electronic evidence of satisfactory
16 completion of each program segment by the learner is required. Interactive self-study programs
17 must clearly define lesson objectives and manage students through the learning process by
18 requiring frequent student response to questions that test for understanding of the material
19 presented, providing evaluative feedback to incorrectly answered questions, and providing
20 reinforcement feedback to correctly answered questions. Capabilities must, based on student
21 response, provide appropriate ongoing written or electronic format feedback to the student
22 regarding his learning progress through the program.

23
24 “Noninteractive self-study program” means any self-study program that does not meet the
25 criteria for interactive self-study programs.

26
27 “Original CPA certificate” means a CPA certificate issued by the board other than a CPA
28 certificate by endorsement.

29
30 “Peer review” means a study, appraisal, or review, by a CPA certificate holder who is not
31 affiliated with the firm being reviewed, of one or more aspects of the professional work of a firm
32 that engages in the practice of public accounting or compiles financial statements in accordance
33 with the American Institute of Certified Public Accountants’ Statements on Standards for
34 Accounting and Review Services (SSARS).

35
36 “Practice of public accountancy” or “public accounting” means the giving of an assurance, in
37 a report or otherwise, whether expressly or implicitly, unless this assurance is given by an
38 employee to his employer.

39
40 “Practice of taxation” means the providing of tax compliance and tax advice services.

41
42 “Registration” means the process through which a firm obtains a registration certificate from
43 the board.

44
45 “Registration certificate” means a certificate issued to a firm that has met all of the
46 requirements for registration under this chapter.

47

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1 “Regulant” means any CPA certificate holder or registration certificate holder who is subject
2 to Chapter 44 (§ 54.1-4400 et seq.) of Title 54.1 of the Code of Virginia and this chapter.

3
4 “Renewal month” means the month of the calendar year in which a firm is required to renew
5 its registration certificate.

6
7 “Report” or “reports,” when used with reference to financial statements, means an opinion or
8 disclaimer of opinion or other form of language or representation that states or implies any form
9 of assurance or denial of assurance.

10
11 “Self-study program” means an educational process designed to permit a participant to learn
12 a given subject without major involvement of an instructor. Self-study programs do not include
13 informal learning.

14
15 “SSARS” means Statements on Standards for Accounting and Review Services established
16 by the American Institute of Certified Public Accountants.

17
18 “Standards of conduct” means the standards set forth in 18 VAC 5-21-120.

19
20 “Standards of practice for CPA certificate holders” means the standards set forth in 18 VAC
21 5-21-130, 18 VAC 5-21-140 and 18 VAC 5-21-150.

22
23 “State” means any state of the United States, the District of Columbia, Puerto Rico, the U.S.
24 Virgin Islands and Guam.

25
26 “Substantial equivalency” means a determination by the board or its designee that the
27 education, ~~examination~~ CPA exam and experience requirements contained in the statutes and
28 administrative rules of another jurisdiction are comparable to, or exceed, the education,
29 ~~examination~~ CPA exam and experience requirements contained in this chapter, or that an
30 individual CPA from another jurisdiction has met education, ~~examination~~ CPA exam and
31 experience requirements that are comparable to, or exceed, the education, ~~examination~~ CPA
32 exam, and experience requirements contained in Chapter 44 (§ 54.1-4400 et seq.) of Title 54.1
33 of the Code of Virginia and this chapter.

34
35 “Window” means the four times (each being a three-month period) in a year that a CPA
36 candidate may take the computer-based CPA exam.

37
38 “Year” means a calendar year unless otherwise indicated.

39
40 **18 VAC 5-21-20. Fees.**

41
42 A. All fees are nonrefundable and the date of receipt by the board or its agent is the date
43 that will be used to determine whether it is on time.

44
45 B. The following fees shall apply:

46 Initial ~~examination~~ CPA exam application fee \$25

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Original CPA certificate application	\$24
CPA certificate by endorsement application	\$24
Registration certificate application	\$24
CPA certificate renewal	\$24
Registration certificate renewal	\$24
CPA certificate late renewal	\$25
Registration certificate late renewal	\$25
CPA certificate reinstatement	\$250
Registration certificate reinstatement	\$250
Non-interactive processing fee	\$5

1
2 If the renewal fee is not received by the board within 30 days after the expiration date
3 printed on the CPA certificate or the registration certificate, the regulant shall pay the
4 renewal and the late renewal fees. Regulants applying for reinstatement shall pay all
5 unpaid renewal fees in addition to the late renewal and the reinstatement fees.
6

7 C. The late filing fee for CPA certificate holders who fail to complete or report their CPE as
8 required by this chapter shall be:

- 9
10 1. If received by the board up to four months late, \$25.
11
12 2. If received by the board more than four months late but not more than six months
13 late, \$50.
14
15 3. If received by the board more than six months late, \$75.
16

17 D. The fee for a replacement wall certificate shall be \$25.
18

19 E. A fee of \$25 will be charged in addition to the fees established in this section for
20 submitting a check to the board which is dishonored by the institution upon which it is
21 drawn.
22

23 F. A non-interactive processing fee will be assessed when online payment option is not
24 chosen by the applicant or regulant.
25

26 G. The fee for the ~~examination~~ CPA exam provided for in 18 VAC 5-21-30 C shall consist of
27 the CPA exam contract charges incurred by the Board. An administrative plus the initial
28 CPA exam application fee, of \$25 which will be assessed at the time of initial application
29 for ~~examination~~ the CPA exam but not for reexamination. No administrative fee will be
30 assessed for re-examination. Examination CPA exam service contracts shall be
31 established through competitive negotiation in compliance with the Virginia Public
32 Procurement Act (§ ~~11-35~~ 2.2-4300 et seq. of the Code of Virginia). The ~~examination~~
33 CPA exam fee shall not exceed \$1,000.
34
35
36
37

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PART II.

ENTRY REQUIREMENTS FOR CPA CERTIFICATE, REGISTRATION CERTIFICATE AND
CPA SUPERVISING SERVICES INVOLVING THE PRACTICE OF PUBLIC ACCOUNTING.**18 VAC 5-21-30. Qualifications for CPA certificate.**

- A. Each applicant must be a person of good character as defined in 18 VAC 5-21-10.
- B. Education prior to taking the ~~examination~~ CPA exam.

1. Each ~~applicant~~ candidate whose application to sit for an ~~examination~~ CPA exam administered prior to July 1, 2006, shall have received a baccalaureate degree or its equivalent conferred by an accredited college or university as required by § 54.1-4409 B 1 of the Code of Virginia and shall at the time the application is received have completed the following courses at the undergraduate or graduate level to meet the accounting concentration requirement of § 54.1-4409 B 1 of the Code of Virginia:

- a. At least 24 semester hours of accounting including courses covering the subjects of financial accounting, auditing, taxation, and management accounting; and
- b. At least 18 semester hours in business courses (other than the courses described in subdivision 1 a of this subsection).

An applicant whose application is received under the requirements of this subdivision may take the examination so long as the requirements of subsection C of this section are met.

2. Each ~~applicant~~ candidate whose application to sit for an ~~examination~~ CPA exam administered on or after July 1, 2006, shall meet the requirements of § 54.1-4409 B 2 of the Code of Virginia and shall at the time the application is received have completed the following courses at the undergraduate or graduate level to meet the accounting concentration requirement of § 54.1-4409 B 2 of the Code of Virginia:

- a. At least 30 semester hours of accounting, including courses covering the subjects of financial accounting, auditing, taxation, and management accounting; and
- b. At least 24 semester hours in business courses (other than the courses described in subdivision 2 a of this subsection).

3. A quarter hour of coursework shall be considered the equivalent of two-thirds of a semester hour of coursework.

4. Each applicant with a degree or coursework earned at a nonaccredited college or university shall, if credit for such degree or coursework is to be considered by the board, (i) have his educational credentials evaluated by an academic credentials service approved by the board or an accredited institution, as defined in 18 VAC 5-21-10, to determine the extent to which such credentials are equivalent to the

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1 education requirements set forth in subdivisions 1 and 2 of this subsection; and (ii)
2 submit such evaluations to the board, which may accept or reject the evaluator's
3 recommendations in whole or in part.

- 4
5 5. Evidence of having obtained the required education shall be submitted in the form of
6 official transcripts transmitted in a manner determined by the board. In unusual
7 circumstances, the board may accept other evidence it deems to be substantially
8 equivalent.

9
10 C. ~~Examination~~ CPA exam.

- 11
12 1. Each ~~applicant~~ candidate shall pass (i) a national uniform ~~examination~~ CPA exam, as
13 approved by the board, in auditing ~~and attestation, regulation, business environment~~
14 ~~and concepts~~, business law and professional responsibilities, accounting and
15 reporting (taxation, managerial, governmental and not-for-profit organizations),
16 financial accounting and reporting, and other such related subject areas as deemed
17 appropriate by the board; and (ii) an ethics ~~examination~~ exam approved by the
18 board. Each part of the ~~examination~~ CPA exam must be passed ~~with a minimum by~~
19 ~~attaining a uniform passing grade established through a psychometrically acceptable~~
20 ~~standard-setting procedure approved~~ by the board ~~based upon the recommendation~~
21 ~~of a psychometrician who has determined the valid passing grade by conducting a~~
22 ~~scientific analysis of the examination~~.
- 23
24 2. The following rules for granting CPA exam credits are applicable until the computer-
25 based CPA exam becomes effective.

26
27 If at a given sitting of the ~~examination~~ CPA exam an ~~applicant~~ a candidate passes
28 two or more but not all sections, then the ~~applicant~~ candidate shall be given credit for
29 those sections that the ~~applicant~~ candidate has passed and need not sit for
30 reexamination in those sections provided the following conditions are met:

- 31
32 a. At that sitting, the ~~applicant~~ candidate wrote all sections of the ~~examination~~ CPA
33 exam for which the ~~applicant~~ candidate did not have credit;
- 34
35 b. The ~~applicant~~ candidate attained a minimum grade of 50 on each section taken
36 at that sitting when the first two sections were passed and in each subsequent
37 sitting attains a minimum grade of 50 on all sections taken at that sitting;
- 38
39 c. The ~~applicant~~ candidate passes the remaining sections of the ~~examination~~ CPA
40 exam within six consecutive ~~examinations~~ CPA exams (irrespective of the date
41 on which the ~~examination~~ CPA exam credit was earned) given after the one at
42 which the first sections were passed; and
- 43
44 d. At each subsequent sitting at which the ~~applicant~~ candidate seeks to pass any
45 additional sections, the ~~applicant~~ candidate writes all sections for which the
46 ~~applicant~~ candidate does not have credit.
- 47

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1 3. The following rules for granting CPA exam credits will take effect beginning with the
 2 first computer-based CPA exam:

3
 4 a. Granting of credit.

5
 6 (1) Candidates will be allowed to sit for each section of the CPA exam
 7 individually and in any order.

8
 9 (2) Candidates will retain credit for any section(s) passed for 18 months, without
 10 having to attain a minimum score on failed sections and without regard to
 11 whether they have taken other sections. Candidates will not be allowed to
 12 retake a failed section(s) within the same CPA exam window.

13
 14 (3) Candidates must pass all four sections of the CPA exam within a “rolling” 18-
 15 month period, which begins on the date that the first section(s) passed is
 16 taken.

17
 18 (4) In the event all four sections of the CPA exam are not passed within the
 19 rolling 18-month period, credit for any section(s) passed outside that 18-
 20 month period will expire and that section(s) must be retaken.

21
 22 b. Conditional CPA exam credits.

23
 24 (1) Candidates who have earned conditional credits on the non-computer-based
 25 CPA exam as of the date of the first computer-based CPA exam will be given
 26 credits for the corresponding sections of the computer-based CPA exam as
 27 follows:

<u>Non-Computer-Based CPA Exam</u>	<u>Computer-Based CPA Exam</u>
<u>Auditing</u>	<u>Auditing and Attestation</u>
<u>Financial Accounting and Reporting (FARE)</u>	<u>Financial Accounting and Reporting</u>
<u>Accounting and Reporting (ARE)</u>	<u>Regulation</u>
<u>Business Law and Professional Responsibilities (LPR)</u>	<u>Business Environment and Concepts</u>

28
 29
 30 (2) Candidates who have attained conditional status as of the launch date of the
 31 first computer-based CPA exam will be allowed a transition period to
 32 complete any remaining test sections of the CPA exam. The transition is the
 33 maximum number of opportunities that a candidate who has conditioned
 34 under the non-computer-based CPA exam has remaining, at the launch of
 35 the computer-based CPA exam, to complete all remaining test sections, or
 36 the number of remaining opportunities under the non-computer-based CPA
 37 exam, multiplied by six months, which is first exhausted.

38
 39 3 4. The board may, at its discretion, waive any of the above requirements for carryover
 40 of examination CPA exam credits, if such waiver is in the public interest.

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- 1
2 4 ~~5~~. Each ~~applicant~~ candidate shall follow all rules and regulations established by the
3 board with regard to conduct at the ~~examination~~ CPA exam. Such rules shall
4 include instructions communicated prior to the ~~examination~~ CPA exam date and
5 instructions communicated at the ~~examination~~ CPA exam site on the date of the
6 ~~examination~~ CPA exam.
7
8 ~~5~~ 6. Failure to comply with the rules and regulations governing conduct in the
9 ~~examination~~ CPA exam may result in the loss of established eligibility to sit for the
10 ~~examination~~ CPA exam or credit for ~~examination~~ CPA exam parts passed.
11
12 ~~6~~ 7. An ~~applicant~~ A candidate to sit for the ~~examination~~ CPA exam shall obtain an
13 application form from the board or its designee, complete the application in
14 accordance with the instructions on the application, and submit the application
15 together with all required documents to the board or its designee by the date
16 determined by the board or its designee.
17
18 ~~7~~ 8. An ~~applicant~~ A candidate who fails to appear for the ~~examination~~ CPA exam or
19 reexamination shall forfeit the fees charged for that ~~examination~~ CPA exam or
20 reexamination unless excused by the board.
21
22 ~~8~~ 9. The fee to sit for the ~~examination~~ CPA exam is established in 18 VAC 5-21-20 F G,
23 whether paid directly to the board or to a designee under contract to the board.
24
25 10. The Board or its designee will forward notification of eligibility for the computer-
26 based CPA exam to NASBA's National Candidate Database.
27
28 11. Cheating by a candidate in applying for, taking or subsequent to the CPA exam will
29 be deemed to invalidate any grade otherwise earned by a candidate on any test
30 section of the CPA exam, and may warrant summary expulsion from the CPA exam
31 site and disqualification from taking the CPA exam for a specified period of time.
32
33 12. Notwithstanding any other provisions under these rules, the Board may postpone
34 scheduled CPA exams, the release of grades, or the issuance of certificates due to
35 a breach of CPA exam security; unauthorized acquisition or disclosure of the
36 contents of a CPA exam; suspected or actual negligence, errors, omissions, or
37 irregularities in conducting a CPA exam; or for any other reasonable cause or
38 unforeseen circumstances.

D. Experience.

- 39
40
41
42 1. Each applicant for initial issuance of a CPA certificate under this section shall provide
43 documentation of having met the experience requirements established by § 54.1-
44 4409 C of the Code of Virginia, which requires at least one year of acceptable
45 experience in accounting or a related field. The experience may include providing
46 any type of service or advice involving the use of accounting, management, financial,
47 tax, or consulting advisory skills or services. Acceptable experience shall include

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1 employment in government, industry, academia or public accounting or related
2 services. The applicant's experience may be supervised by a non-CPA certificate
3 holder, although, when completing the application for the CPA certificate, the
4 experience must be verified by a CPA certificate holder.
5

- 6 2. One year of experience shall consist of full- or part-time employment that extends
7 over a period of no less than a year and no more than three years and includes no
8 fewer than 2,000 hours of performance of services described in subdivision 1 of this
9 subsection.
10

11 **18 VAC 5-21-40. Issuance of original CPA certificate; CPA certificate by endorsement;
12 and substantial equivalency.**
13

14 A. Practicing as a CPA in the Commonwealth of Virginia. Only an individual who (i) holds a
15 valid CPA certificate or (ii) meets the substantial equivalency requirements in this section
16 may practice as a CPA in the Commonwealth of Virginia.
17

18 B. Original CPA certificate.
19

- 20 1. Each individual who desires to use the CPA designation shall first obtain a CPA
21 certificate.
22
- 23 2. Each applicant for an original CPA certificate shall submit an application, on a form
24 provided by the board, which shall document that the requirements of 18 VAC 5-21-
25 30 have been met. If the application is received by the board three or more years
26 after the successful completion of the CPA ~~examination~~ exam by the applicant, the
27 applicant shall, in addition, submit evidence of having met the CPE requirements set
28 forth in 18 VAC 5-21-170 A 3 or B 3, and completed the most recent Ethics CPE
29 course. Each applicant shall agree to comply with the statutes and regulations of
30 any other state in which he is authorized to practice.
31
- 32 3. Each application for an original CPA certificate shall be accompanied by the fee
33 established in 18 VAC 5-21-20.
34

35 C. CPA certificate by endorsement.
36

- 37 1. Each individual who holds a CPA certificate in a state other than Virginia and either
38 (i) has moved his principal place of business to Virginia or (ii) does not meet the
39 substantial equivalency provision outlined in subsection G of this section must obtain
40 a CPA certificate by endorsement prior to practicing as a CPA in Virginia.
41
- 42 2. Each applicant for a CPA certificate by endorsement shall submit an application, on
43 a form provided by the board, which shall document that the applicant holds a
44 corresponding CPA certificate as a certified public accountant issued after meeting
45 ~~examination~~ CPA exam and other requirements under laws of the state(s) from
46 which the applicant is seeking a CPA certificate by endorsement. The application
47 shall include the following:

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- 1
2 a. From each state from which the applicant has received a CPA certificate (or from
3 the applicant directly if the state is unable to provide the information), a written
4 statement from the board of each state confirming that the applicant (i) is in good
5 standing in that state; (ii) has not been found guilty of violating that state's
6 standards of conduct or practice; (iii) has no pending actions alleging violations of
7 that state's standards of conduct or practice; (iv) has met the education
8 requirements in effect in that state when the applicant passed the national
9 uniform ~~examination~~ CPA exam described in 18 VAC 5-21-30 C; and (v) has met
10 the experience requirement for a CPA certificate in effect in Virginia when the
11 CPA certificate by endorsement application is received by the board. An
12 applicant who holds a CPA certificate from a state that the board has determined
13 meets the substantial equivalency provision set forth in § 54.1-4411 of the Code
14 of Virginia shall be considered to have met the requirements of clauses (iv) and
15 (v) of this paragraph.
16
17 b. A written statement from the applicant affirming that the applicant has (i) not
18 violated the board's standards of conduct or standards of practice; and (ii) met
19 the board's continuing education requirements.
20

21 The board may deny the application for a CPA certificate by endorsement if the
22 applicant is not in good standing in the other states which have issued CPA
23 certificates to the applicant or if any information from the applicant indicates a failure
24 to comply with the aforementioned standards.
25

- 26 3. Each application for a CPA certificate by endorsement shall be accompanied by the
27 fee established in 18 VAC 5-21-20.
28
29 D. Each CPA certificate holder shall have the privilege of using the CPA designation
30 provided the CPA certificate holder complies with the (i) standards of conduct, (ii)
31 standards of practice, and (iii) the renewal requirements established by the board. Upon
32 expiration of the CPA certificate, the CPA certificate holder shall cease displaying the
33 CPA certificate and the wall certificate, and shall cease affixing and using the CPA
34 designation in any manner.
35
36 E. All CPA certificate holders who supervise services involving the practice of public
37 accountancy and who sign or authorize another to sign the report on the financial
38 statements on behalf of the firm shall meet the experience requirement established in 18
39 VAC 5-21-50.
40
41 F. CPA certificates issued under the provisions of this chapter shall expire one year from
42 the last day of the month wherein the initial CPA certificate was issued and shall be
43 renewed in compliance with 18 VAC 5-21-80.
44
45 G. Privilege to practice without a CPA certificate by endorsement, substantial equivalency.
46

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1 consulting services, preparing tax returns, or furnishing advice on tax matters, for the
2 public, shall obtain 120 ~~hours of~~ CPE credits during each CPE reporting cycle with a
3 minimum of 20 ~~hours~~ CPE credits per CPE reporting year. The CPA certificate
4 holder may choose the areas of study and courses.

5
6 2. Any person covered by this provision who, prior to implementation of § 54.1-4410 B
7 of the Code of Virginia on October 4, 1999, provided one or more of the services
8 described in subdivision 1 of this subsection, but was not required to obtain CPE,
9 shall obtain at least 20 ~~hours of~~ CPE credits in each of the CPE reporting years
10 2000, 2001 and 2002 and meet the 120-hour CPE-credit requirement for the CPE
11 reporting cycle ending December 31, 2002.

12
13 3. Any person applying for a CPA certificate pursuant to 18 VAC 5-21-40 three or more
14 years after his successful completion of the CPA ~~examination~~ exam who intends to
15 provide the services described in subdivision 1 of this subsection shall, in addition,
16 submit evidence of having met the 120-hour CPE-credit requirement in subdivision 1
17 of this subsection as though subdivision 1 of this subsection had been applicable to
18 the applicant during the three ~~calendar~~ years prior to the date of his application.

19
20 4. Any CPA certificate holder whose original CPA certification application was received
21 by the board fewer than three years after his successful completion of the CPA
22 ~~examination~~ exam who commences the services described in subdivision 1 of this
23 subsection after December 31, 2000, shall have obtained 40 ~~hours of~~ CPE credits
24 within the 12 months preceding the date such services are first offered to the public
25 and obtain the remaining 80 ~~hours of~~ CPE credits by the end of the second CPE
26 reporting year following the date of commencing such services with no less than 20
27 ~~hours~~ CPE credits in each of these two CPE reporting years. In addition, such CPE
28 shall include the most recent Ethics CPE course.

29
30 B. Use of CPA designation and performing services other than for the public.

31
32 1. As provided in § 54.1-4410 C of the Code of Virginia, effective July 1, 2002, any
33 person referring to himself as a Certified Public Accountant or “CPA,” including the
34 use of the “CPA” title on individual business cards, letterhead and all other
35 documents and devices except the CPA wall certificate, who is performing or offering
36 to perform any services involving accounting skills or auditing skills, issuing reports
37 on financial advisory or consulting services, preparing tax returns, or furnishing
38 advice on tax matters, for an employer or other organization and not for the public, or
39 who is employed as an educator in the field of accounting, shall meet the following
40 CPE requirements as a condition of renewal of the person’s CPA certificate: (i) for
41 the three-year reporting period beginning ~~July 1, 2002~~ January 1, 2003, a minimum
42 of 45 ~~credit hours~~ CPE credits with a minimum of 10 ~~hours~~ CPE credits per year, (ii)
43 for the three-year reporting period beginning ~~July 1, 2005~~ January 1, 2006, a
44 minimum of 90 ~~credit hours~~ CPE credits with a minimum of 15 ~~hours~~ CPE credits per
45 year, and (iii) for the three-year reporting periods beginning on or after ~~July 1, 2008~~
46 January 1, 2009, a minimum of 120 ~~credit hours~~ CPE credits with a minimum of 20

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1 ~~hours~~ CPE credits per year. The CPA certificate holder may choose the areas of
2 study and courses.

- 3
- 4 2. Individuals failing to meet the CPE requirements may be subject to requalification,
5 including possible re-examination and submission of experience qualifications. The
6 board may, at its discretion, waive or defer CPE requirements so long as such waiver
7 or deferral is in the public interest.
- 8
- 9 3. Any person applying for a CPA certificate pursuant to 18 VAC 5-21-40 three or more
10 years after his successful completion of the CPA ~~examination~~ exam who intends to
11 provide the services described in subdivision 1 of this subsection shall, in addition,
12 submit evidence of having met the CPE requirement of subdivision 1 of this
13 subsection as though subdivision 1 of this subsection had been applicable to the
14 applicant during the three ~~calendar~~ years prior to the date of his application.
15 Furthermore, if such person obtained his CPA certificate at a time when he did not
16 intend to provide services for the public and subsequently decides to provide for the
17 public the services described in subdivision A 1 of this section, then such regulant
18 shall, prior to performing such services, meet the 120-~~hour~~ CPE-credit requirement
19 of subdivision A 1 of this section.

20

21 C. Use of CPA designation and not performing services.

- 22
- 23 1. Any CPA certificate holder who is not performing or offering to perform any of the
24 services described in subdivision A 1 or B 1 of this section is not required to meet
25 CPE requirements.
- 26
- 27 2. Any CPA certificate holder who ceases to perform services for the public shall
28 meet the CPE requirements described in subdivision A 1 of this section for any
29 reporting year in which he performed those services. Any CPA certificate holder
30 who performs services for the public for less than a complete reporting cycle shall
31 complete at least 20 ~~hours~~ CPE credits in each reporting year that he did perform
32 services for the public during the reporting cycle.

33

34 D. CPE in standards of conduct, Code of Virginia statutes relating to public accountancy,
35 and Board's regulations.

36

37 Beginning with the CPE reporting year ending immediately subsequent to the year in
38 which these regulations become effective, each CPA to which the CPE requirements in
39 subsections A and B of this section apply will obtain annually two CPE credits relating to
40 standards of conduct, Chapter 44 (§ 54.1-4400 et seq.) of Title 54.1 of the Code of
41 Virginia, and regulations of the Board. The course will be a self-contained course
42 presented in not more than two CPE credit parts and may be presented in conjunction
43 with other CPE programs. The course may be a self-study course so long as the self-
44 study requirements of 18 VAC 5-21-170 F 3 are met. An outline of the required content
45 for the course will be provided by the Board to CPE providers who must state in their
46 Ethics CPE course material and related catalog summaries whether the content of the

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1 course includes the material required by the Board for the calendar year the course is
2 provided.

3
4 D E. Requirements for retaining records.

- 5
6 1. It is the responsibility of the CPA certificate holder to retain evidence of satisfactory
7 completion of CPE ~~credit hours~~ credits for a period of three years from the
8 anniversary date of renewal. Such documentation shall be in the form of the
9 certificate of completion provided by the sponsor, verification from the institution
10 offering the course, written statement from the course provider verifying the
11 regulant's attendance, or any other documentation deemed agreeable by the
12 board.
13
14 2. The CPA certificate holder shall provide such documentation to the board or its
15 authorized agent upon request.

16
17 E F. Continuing professional education credit.

- 18
19 1. One credit hour shall be given for each 50-minute period of instruction. One
20 semester hour of college credit is 15 CPE ~~credit hours~~ credits and one quarter hour
21 of college credit is 10 CPE ~~credit hours~~ credits.
22
23 2. A CPA certificate holder who instructs courses that qualify for CPE credit for
24 participants will be awarded two additional ~~hours of CPE~~ credits for each CPE
25 ~~credit hour~~ of instruction. The instructor shall retain evidence to support the
26 request for CPE credit. The instructor shall be given no CPE credit for subsequent
27 sessions involving substantially identical subject matter. The CPE credit given for
28 instructing shall not exceed 30 ~~credit hours~~ CPE credits per CPE reporting cycle.
29
30 3. CPE ~~credit hours~~ credits for successful completion of a self-study course shall be
31 established by the sponsor according to the type of CPE self-study program and
32 pre-tests to determine average completion time. Interactive self-study programs
33 shall receive CPE credit equal to the average completion time. Noninteractive self-
34 study programs shall receive CPE credit equal to one-half of the average
35 completion time. For example, an interactive self-study program that takes an
36 average of two contact hours to complete shall receive two CPE ~~credit hours~~
37 credits, and a noninteractive self-study program that takes an average of two
38 contact hours to complete shall receive one CPE credit ~~hour~~.